

December 30, 2004

**By Electronic Filing**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Office of the Secretary  
236 Massachusetts Avenue, N.E.  
Suite 110  
Washington, DC 200002

RE: DIRECTV Service to Hawaii and Alaska; MB Docket No. 03-82

Dear Ms Dortch:

In response to DIRECTV's *ex parte* comments filed November 9, 2004, Microcom offers the following reply.

The first DBS operator to market, DIRECTV, still has not seriously entered the Alaska market due to poor satellite performance over most of the state. Essentially nothing has changed since their first launch in 1995 and through multiple satellite launches since then. Depending on where you are, you may or not be able to receive all DIRECTV programming on dishes ranging in size from 1.0 meters to 3.0 meters. In every other state in the union, the cost of getting DIRECTV service for new subscribers is \$0. In Anchorage new subscribers must pay in excess of \$1600. The geographic service rules require a DBS operator to provide reasonably comparable service in Alaska and Hawaii. It is up to the Commission to determine if the following constitutes reasonably comparable service:

- a. System prices starting at \$1600 (based on a 1.8 meter dish, installed on a pipe mount with 3 receivers).
- b. Occasionally losing some transponders and programming on the Kenai Peninsula and in Fairbanks.
- c. No direct sales infrastructure and virtually no independent retailers. DIRECTV lists four retailers in Anchorage. Of those four, three are national chains that do not sell DIRECTV in Alaska. No dealers are listed in Fairbanks or Juneau.
- d. Being excluded from DIRECTV equipment offers for current subscribers.
- e. No technical support for Alaska installations. DIRECTV customer service representatives have no specific knowledge of DIRECTV system requirements and limitations in Alaska. When pressed, the CSR refers us to "our distributor" but couldn't tell us who that was. The CSR said that DIRECTV treats Alaska and Hawaii as if they were "other countries" and support was limited to the 48 states.
- f. Technically preventing Alaska subscribers from receiving Spanish language programming from the 119 degree satellite by requiring installation of a satellite dish on the 101 degree satellite so receiving equipment can obtain necessary software and program guide data.

January 3, 2005

DIRECTV has alleged that Microcom's petition is vague and unsupported. On two occasions we have scheduled conference calls with DIRECTV management to discuss our petition and to date not one of those conference calls has occurred. Despite our best efforts we have not found any evidence of DIRECTV doing anything for Alaska. We challenge DIRECTV to provide evidence of their efforts to serve the state. Specifically, can they show any efforts similar to those made by another DBS provider such as:

- a. Operating remote satellite stations to monitor the real time performance of all satellites providing service to Alaska.
- b. Plans for providing Alaska local channels absent those that will be developed due to the requirements of SHVERA.
- c. A retail presence in every major community in the state.
- d. A specially trained customer service group to handle Alaska sales and technical support.
- e. Alaska unique marketing materials.
- f. A consistent effort to work with independent retailers to identify customer needs and to improve service.
- g. Periodic visits by middle and senior management to Alaska retailers to develop an understanding of the market.

If DIRECTV cannot provide direct evidence showing they have made and are continuing to make good faith efforts to provide comparable service in Alaska, then the Commission must compel DIRECTV to explain why it is not technically feasible or economically unreasonable to serve the state.

Respectfully Submitted

Tom Brady  
Engineering Manager